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October 11, 2007

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(Drafting Office and Officer)

DEPARTMENT OF STATE

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## Memorandum of Conversation

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Date Jan 8 1974Initial SD

DATE: Dec. 7, 1973

SUBJECT: Indian Ambassador's Call on the Secretary

O/FADRC/DR

FILES

PARTICIPANTS: The Secretary  
L. Bruce Laingen, Acting Deputy, NEA  
Dennis Kux, Acting Director, NEA/INS  
Attention Mrs. Trombly  
Keep this study together.

COPIES TO: Ambassador T. N. Kaul  
Eric Gonsalves, Indian Minister (Political)  
Girish Dhume, First Secretary, Indian Embassy

NEA

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THE SECRETARY: "I want you to know that the United States appreciated Indian actions at the UN on Cambodia."

AMBASSADOR KAUL: "India is glad the issue has been postponed for a year and hopes this period will provide time to resolve the problem."

AMBASSADOR KAUL: "How had India figured in your talks with China?"

THE SECRETARY: "I went over this with Ambassador Moynihan, but will be glad also to repeat it for you. India did not play a major role in the Peking talks. The Chinese expressed extreme distrust of India's relations with the Soviet Union and of the Asian collective security scheme. They also expressed considerable distrust of Indian sincerity in seeking better relations with China. However, they did not look for occasions to go into great detail as on previous visits. I told the Chinese we thought India was prepared to normalize relations with China and also that India was conducting its own foreign policy and not serving as an extension of the Soviet Union. That was about all that was discussed."

AMBASSADOR KAUL: "What about Chinese policy toward Bangladesh?"

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THE SECRETARY: "The Chinese indicated they will follow Pakistan's lead; the timing of recognition would be entirely dependent on Pakistan. However, the Chinese think that over the longer run they have the best chances in Bangladesh. "

AMBASSADOR KAUL: "We disagree about Chinese prospects in Bangladesh. We do not believe pro-Chinese elements are strong, especially because of China's unfriendly attitude toward Bangladesh."

THE SECRETARY: "With regard to US policy, now that Bangladesh exists, we are on India's side. We want the country to be a viable and progressive entity. "

AMBASSADOR KAUL: "We agree that there is no conflict of interest between the US and India on Bangladesh."

THE SECRETARY: "None whatsoever; we are willing to cooperate."

AMBASSADOR KAUL: "Recent Pak policy statements were somewhat disturbing, particularly Bhutto's remarks on Kashmir, which India regarded as inflammatory and in violation of the Simla Agreement, where both countries agreed that the Jammu and Kashmir problem would be settled peacefully. I wanted to bring these statements to the Secretary's attention. In this connection, were Indo-Pakistan relations discussed with Bhutto during the Secretary's recent visit to Islamabad?"

THE SECRETARY: "There was very little time spent in Islamabad, only overnight. The talks with Bhutto were mostly on the Middle East situation. There was a little on China and very little time about India. Bhutto had made no specific complaints about relations with India, but was concerned about what he considered Pakistan's military weakness vis-a-vis India.

"Turning to our relations, we appreciate your Foreign Minister's December 6 remarks in Parliament. These reflect our own views. You keep asking where you fit in US priorities. The importance we attach to a country does not need to be reflected in constant activity--maybe the US and India do not have that many problems. I will be approving the rupee settlement later in the day. Indo-US relations are steadily improving, without peaks, but also without valleys. We remain more than ready to hear any concrete Indian ideas. I am willing to exchange political

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views here with a representative of the Prime Minister should she send someone or to avail myself of the Foreign Minister's kind invitation to visit Delhi sometime during the next year. Please tell your Foreign Minister and Prime Minister that we see no obstacles to better relations."

AMBASSADOR KAUL: "India reciprocates the Secretary's views on relations. It does not expect spectacular results. If the rupee settlement goes through, we can then go on to other things. Once the rupee problem is out of the way, India envisages improvement in trade, cultural relations, scientific and technological cooperation and possibly setting up binational commissions.

"One minor point has arisen in the rupee negotiations. At the last minute, the US Embassy has asked for an extra \$15 million to be transferred to the so-called Cooley account. India hopes this can be dropped."

THE SECRETARY: "I am uninformed about this" (as were Messrs. Laingen and Kux).

AMBASSADOR KAUL: "When I talked with President Nixon during the Romanian reception, the President was good enough to mention he hoped to see me soon but had been very busy. I told the President that Ambassador Moynihan and the Secretary were both working for better relations with India."

THE SECRETARY: "I hope you also told that to the liberal press."

AMBASSADOR KAUL: "I want to call your attention to the December 7 New York Times editorial which spoke of India's tilting toward the USSR. We do not know on what basis the editorial was written."

THE SECRETARY: "Do not be overly concerned with such articles. The USG thinks Indian policy is as discussed at your dinner the previous week. We are not panicked by friendly Indian association with the Soviets."

AMBASSADOR KAUL: "We do not think the Soviets are panicked by improving relations between India and the US."

THE SECRETARY: "On the question of paying attention, you should know that the Indian Embassy dinner was the only such social occasion I have attended since taking office."

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Christmas. It has to be there for only 30 days and during much of this time Congress will be in recess. We are in good shape."

AMBASSADOR KAUL: "US naval presence in the Indian Ocean has prompted some questions in the Indian Parliament, especially since Secretary Schlesinger's recent announcement. The US has perhaps noticed that the idea of an Indian Ocean conference was suggested in the recent Indo-Soviet communique and also mentioned in the context of the Indian Ocean Peace Zone deliberations at the UN. What is the US reaction to the idea of such a conference which might lay down rules for peaceful commerce and find ways to avoid tension?"

THE SECRETARY: "We would have no problem with that kind of thing. We would have problems, however, with a conference or actions directed against access to base facilities. As I said before, if we could only rename the Indian Ocean, you wouldn't care about our ships. They are not directed at India. I need a chance to study the idea of a conference. I have not looked into it. Regarding US naval forces, we are not planning to replace the carrier Oriskany."

AMBASSADOR KAUL: "The New York Times also speaks of possible naval bases for the Soviets. We have categorically declared that India is not giving naval bases to the Soviet Union. I do not know where the Times gets the idea for its story."

THE SECRETARY: "The New York Times predicted that Indo-US relations would be irreparably damaged in 1971. I never thought this would be the case. Now the Times is annoyed at the Indians because relations are improving."

AMBASSADOR KAUL: "Returning to the question of your visiting India, can we consider March or April as firm? I want to emphasize that we are not going to be fussy and have no complex about your stopping off en route to or from some other place."

THE SECRETARY: "I will come if anything takes me into the area. Even if not, I will try. I much appreciate the invitation; let us leave it that I will try to make it in the first six months of 1974."

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AMBASSADOR KAUL: "There is one final subject I want to bring up: the place of India in the State Department organization. Lumping India together with the Middle East Bureau does not do justice to South Asia, and I want to leave the idea with the Secretary of a separate bureau for South Asia."

THE SECRETARY: "If we make a separate South Asia bureau, this will require legislation to create a new assistant secretary. Are there other possibilities?"

AMBASSADOR KAUL: "South Asia might be joined with Southeast Asia. "

THE SECRETARY: "I have often thought of that."

AMBASSADOR KAUL: "However, Pakistan should remain part of the Asia bureau and not be left with the Middle East."

THE SECRETARY: "I agree that this is organizationally necessary, but wonder whether it is also politically true. Is it bad to think of tying Pakistan in with the Middle East?"

AMBASSADOR KAUL: "This would not work. Pakistan's roots are in South Asia, not the Middle East. Politically, economically, strategically, Pakistan is part of South Asia."

THE SECRETARY: "I have often played with the idea of placing Greece and Turkey in with Europe and shifting South Asia to the Asia Bureau."

AMBASSADOR KAUL: "I would think it better for South Asia to be in the East Asia Bureau than with NEA. The Subcontinent has more in common with Southeast Asia than with the Middle East."

THE SECRETARY: "In any case, I cannot take the Subcontinent away from NEA as long as Joe Sisco is Assistant Secretary."

AMBASSADOR KAUL: "Before leaving, I wanted to say how impressed I was by the swearing-in ceremonies for Vice President Ford yesterday."

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THE SECRETARY: "This was the first time we had ever replaced a Vice President. It was a new experience for us."

AMBASSADOR KAUL: The Vice President made a very moving speech."

Clearance: NEA - Mr. Laingen *3*

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